I hereby certify this to be a true copy of the original.

Of Attorneys for City of Portland

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IN THE CIRCUIT COURT OF THE STATE OF OREGON

FOR THE COUNTY OF MULTNOMAH

CITY OF PORTLAND, a municipal corporation of the State of Oregon,

Plaintiff,

v.

UBER TECHNOLOGIES, INC., a Delaware corporation, and RASIER, LLC, its wholly owned subsidiary,

Defendants.

Case No. 14CV18915

COMPLAINT FOR DECLARATORY
JUDGMENT OF UNLAWFUL AND
UNPERMITTED ACTIVITY, INJUNCTIVE
RELIEF TO ENSURE UNLAWFUL AND
UNPERMITTED ACTIVITY CEASES, AND
STATUTORY VIOLATIONS

(Not Subject to Mandatory Arbitration)

Plaintiff City of Portland, a municipal corporation of the State of Oregon, by and through the Portland Bureau of Transportation ("PBOT"), alleges as follows:

NATURE OF ACTION

1.

This is an action by the City of Portland against Uber Technologies, Inc. and its wholly owned subsidiary Rasier, LLC (hereafter collectively "Uber") for declaratory relief, injunctive relief and statutory violations for Uber's failure to comply with the City of Portland's Private For-Hire Transportation Regulations found in Chapter 16.40 of the Portland City Code and accompanying Administrative Rules. Uber operates in the City of Portland, Oregon, providing for-hire vehicular transportation for compensation through its uberX platform. However, Uber does not comply with the applicable laws, regulations and Administrative Rules adopted by the City of Portland, Oregon, for providing for-hire vehicular transportation for compensation. This lawsuit seeks declaratory relief that Uber is subject to and in violation of the City of Portland's

COMPLAINT FOR DECLARATORY JUDGMENT

1	Private For-Hire Transportation Regulations and Administrative Rules and seeks an injunction
2	against Uber prohibiting them from conducting business (as defined in Portland City Code
3	section 16.40.030 J.) or operating (as defined in Portland City Code section 16.40.030 Y.) within
4	the City of Portland, Oregon, including through the use of the Uber smartphone application, and
5	including contracting with unpermitted drivers, unless and until Uber comes into compliance
6	with the permit, insurance and other requirements of Portland City Code Chapter 16.40 (Private
7	for Hire Transportation Regulations).
8	PARTIES
. 9	2.
10	Plaintiff City of Portland, is a municipal corporation of the State of Oregon duly
11	organized and existing under the laws of the State of Oregon.
12	3.
13	Defendant Uber Technologies, Inc. is a Delaware corporation and defendant Rasier, LLC
14	is its wholly owned subsidiary, both with a principal place of business in San Francisco,
15	California, which are presently operating in Portland, Oregon, under the name of uberX. Uber is
16	currently providing for-hire vehicular transportation for compensation through its uberX
17	platform in the City of Portland.
18	4.
19	Upon information and belief, neither Uber Technologies, Inc. nor Rasier, LLC are
20	registered to do business in the State of Oregon or the City of Portland in violation of Chapter 60
21	of the Oregon Revised Statutes and Portland City Code Chapter 7.02 Business License Law.
22	VENUE AND JURISDICTION
23	5.
24	The Circuit Court of the State of Oregon has subject matter jurisdiction pursuant to ORS
25	28.010 and 28.020 and ORS 30.315 and Portland City Charter Section 1-103 and Portland City
26	Code Chapter 16.40, et seq.
Page	2 — COMPLAINT FOR DECLARATORY JUDGMENT

6. 1 The Multnomah County Circuit Court has personal jurisdiction over the defendants. 2 7. 3 Venue is proper in Multnomah County Circuit Court because one or more of the 4 defendants transact business in Multnomah County under ORS 14.030, 14.050 and 14.080. 5 FACTUAL ALLEGATIONS 6 8. 7 Oregon State law delegates regulation of vehicles for hire to cities and counties in this 8 State pursuant to ORS 221.485 and 221.495 that operate within their respective jurisdictions. 9 10 Portland City Code Chapter 16.40 and the corresponding Administrative Rules 11 promulgated by the Private For-Hire Transportation Board of Review regulate Private for-hire 12 Transportation within the City of Portland which is defined as "providing vehicular, horse-drawn 13 carriage or pedicab transportation for compensation of any kind within the Portland City Limits." PCC 16.40.030 HH. 15 10. 16 The Offstreet Parking and Regulatory Division of the City of Portland's Bureau of 17 Transportation is responsible for enforcing the provisions of Chapter 16.40 of the Portland City Code. 18 11. 19 The regulations in Chapter 16.40 of the Portland City Code make a distinction between 20 Limited Passenger Transportation (LPT) vehicles (and companies) and Taxicabs (and Taxicab 21 Companies) which are specifically excluded from the LPT category and regulatory scheme. 22. 12. 23 A Taxicab Company is "any entity operating taxicabs other than as a driver and 24 regardless of whether the vehicles so operated are owned by the company, leased, or owned by 25 individual members of the company." PCC 16.40.030 NN. 26 COMPLAINT FOR DECLARATORY JUDGMENT Page

13. 1 A Taxicab is "any vehicle that carries passengers for-hire where the destination and route 2 traveled may be controlled by a passenger and the fare is calculated on the basis of an initial fee, 3 distance traveled, waiting time, or any combination thereof." PCC 16.40.030 PP. 4 14. 5 Limited Passenger Transportation (LPT) means "providing for-hire transportation 6 services with non-motorized vehicles or motorized vehicles other than taxicabs. LPTs include, but are not limited to, horse-drawn carriages, pedicabs, executive sedans, limousines, shuttles and SATs." PCC 16.40.030 W. 15. 10 A Limited Passenger Transportation Company means "a for-hire transportation company 11 other than a taxi company." PCC 16.40.030 V. 12 . 16. 13 To operate means "driving a for-hire vehicle, using a for-hire vehicle to conduct a 14 business, receiving money from the use of a for-hire vehicle, or causing or allowing another 15 person to do the same." PCC 16.40.030 Y. 16 17. 17 Uber Technologies, Inc. ("Uber") began illegally operating for-hire vehicular transportation 18 for compensation through its uberX and/or Rasier, LLC platform in the City of Portland on the 19 evening of December 5, 2014. To date, neither Uber nor any of its contracted drivers have applied 20 for, or been granted any company, driver or vehicle permits to operate within the City of Portland 21 as required by Chapter 16.40 of the Portland City Code. 22 18. 23 Uber operates private for-hire transportation services in the City of Portland. On 24 December 8, 2014, the Portland Bureau of Transportation ("PBOT") confirmed that Uber's

COMPLAINT FOR DECLARATORY JUDGMENT

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website lists the uberX service available in Portland for a base fare of \$1.50, plus \$.30 per

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minute, plus \$1.55 per mile with a \$1.00 per ride "safe ride fee." On information and belief, the City of Portland asserts that Uber also applies an additional "surge pricing" model during times of peak demand. Additionally, the uberX application continues to show cars and drivers available to provide for-hire transportation within the City of Portland. 19. The requirements of Chapter 16.40 – along with any penalties assessed for violations apply to all for-hire transportation companies, vehicles and drivers, whether legally and validly permitted or not. PCC 16.40.020 A. It is not a defense to any regulatory action (including penalties and fines) to assert that the City cannot act because the driver, company or vehicle does not possess a valid City-issued permit, decal or taxiplate. PCC 16.40.020 B. . 20. Under Chapter 16.40, no person may drive a for-hire transportation vehicle without a valid current for-hire transportation driver's permit issued under Chapter 16.40. PCC 16.40.090 A. Uber has contracted drivers to drive for-hire transportation vehicles without requiring such drivers to obtain valid, current for-hire transportation driver's permits and Uber drivers have failed to obtain such permits. 21. The City of Portland asserts that Uber also is in violation of the following civil and criminal provisions of Chapter 16.40. As a Taxicab Company a. 16.40.150 Taxicab Company Permits Required - Application Process & Requirements. 16.40.190 LPT Decals and Taxiplates Required; Application Process & Requirements. 16.40.220 Vehicle Decal and Taxiplate Issuance or Denial. 16.40.270 Minimum Standards of Service for Taxicab Companies. 16.40.280 Taxicab Digital Security Camera Systems. 16.40.290 Taxicab Fare Rates. 16.40.300 Wheelchair Accessible Taxicabs. 16.40.310 Taximeter Requirements. 16.40.320 Required Taxicab Equipment.

COMPLAINT FOR DECLARATORY JUDGMENT

FAX: (503) 823-3089

2 3	 16.40.330 Identification of Taxicab Vehicles. 16.40.410 LPT and Taxi Insurance Requirements. 16.40.450 Limousine, Executive Sedan and Taxi Logs Required. 16.40.500 Compliance with Federal, State and Local Laws. 16.40.560 Criminal Penalties.
4	and/or
5	b. As Limited Passenger Transportation Vehicle
6	• 16.40.090 LPT and Taxi Driver Permits Required – Application
7	Process & Requirements. • 16.40.130 LPT Company Permits Required – Application Process &
8	Requirements. 16.40.190 LPT Decals and Taxiplates Required; Application Process
9	& Requirements. • 16.40.220 Vehicle Decal and Taxiplate Issuance or Denial.
10	 16.40.410 LPT and Taxi Insurance Requirements. 16.40.450 Limousine, Executive Sedan and Taxi Logs Required.
11	 16.40.500 Compliance with Federal, State and Local Laws. 16.40.560 Criminal Penalties.
12	22.
13	In accordance with the provisions listed in paragraph 21, above, Chapter 16.40 of the
14	Portland City Code subjects LPT Companies and LPT vehicles to a number of general
15	regulations that are also applicable to Taxicab Companies and Taxicabs. Both LPT and Taxicabs
16	(vehicles and companies) are generally subject to the same treatment with regard to driver
17	permitting, conduct and maximum hours, the renewal of company permits, insurance
18	requirements, financial information, reporting obligations, vehicle inspection and the licensing
19	and maintenance of vehicles used by the companies. PCC 16.40.090 through 16.40.170.
20	23.
21	Taxicab Companies must track the date and time of the initial reservation, and the initial
22	and destination addresses. PCC 16.40.450 C.
23	24.
24	LPT Companies must track the customer name, the passenger name if different from the
25	customer name, the date and time of the initial reservation, the date, start and end times of the
26	trip, the initial and destination addresses, and the fare amount paid. PCC 16.40.540 B.

COMPLAINT FOR DECLARATORY JUDGMENT

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25. In addition to the requirements applicable to LPT Companies and vehicles, Taxicab Companies and Taxicabs are subject to regulations including: Having a dispatch system in operation 24 hours per day capable of providing a. prompt service. Acceptance of any request for taxicab service received from any location within b. the City. Service city-wide, 24 hours per day, 7 days a week. c. Having no more than 65% of the company's permitted vehicles within a one mile d. radius of the Portland International Airport at any given time. The company must have a minimum fleet of 15 taxicabs. e. At least two-thirds of the company's permitted fleet must be utilized and in f. service at all times. Digital security cameras are required in all taxicabs. g. Taxicabs are subject to maximum rates proscribed by Portland City Code ĥ. currently set at \$2.50 initial charge for one passenger and \$1.00 for each additional passenger, a waiting charge of \$30.00 per hour, and no more than \$2.30 per mile traveled. At least 20% of a taxicab company's fleet must be wheelchair accessible. i. A taxicab must limit the hours its drivers are on duty to no more than 14 hours in j. a 24-hour period. Each taxicab must be painted a unique color and display on both sides of each k. taxicab the full name of the company, the taxi number, the company telephone number and the word "taxi," "cab," or "taxicab." PCC 16.40.270 through 16.40.330.

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26. 1 LPT Companies engaged in limousine or executive sedan services are also subject to a 2 \$50.00 minimum trip fare between Portland's downtown core and/or the Amtrak station and the 3 Portland International Airport. The minimum rates are proscribed in Administrative Rules. PCC 16.40.480 A and 16.40.480-1. The minimum flat rate currently set by Administrative Rule is \$50.00. 6 27. 7 Portland City Code also requires limousine and executive sedan services must be at 35% 8 higher than the prevailing taxicab rates for the same route. PCC 16.40.480 B. 28. 10 All limousine and executive sedan service must be provided on a prearranged basis. 11 Prearranged is defined in Administrative Rule and means that 60 minutes must pass between the 12 time that a reservation is made and the time that the customer is transported. PCC 16.40.460 A, 13 16.40.460-1. 14 29. 15 Although Uber effectively dispatches drivers to pick up the same passengers as taxicabs 16 and LPT vehicles, Uber's drivers do not comply with the requirements set by the City of 17 Portland. 18 30. 19 Uber drivers and companies violating City Code are subject to potential civil and 20 criminal penalties. PCC 16.40.530 and 16.40.560. 21 31. 22 Civil penalties are provided in a table at PCC 16.40.540 which ranges in several 23 thousands of dollars. Criminal penalties are also provided in PCC 16.40.560 with a fine of \$1,000 or imprisonment for not more than six months or both. 25 ////// 26

COMPLAINT FOR DECLARATORY JUDGMENT

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32.

Uber's drivers similarly do not conform with Portland City Code sections.

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In Portland, all taxicab and for-hire vehicles must pass regular inspections showing that they are safe, clean and comfortable, tasks which the drivers themselves typically must complete although they do not earn fare revenue. Similarly, drivers are prohibited from providing taxi or for-hire service unless their vehicles are equipped with a digital security camera, and fare meter. The company is required to carry commercial liability insurance and vehicle insurance. Upon information and belief, the vehicles dispatched by Uber do not comply with these requirements, avoiding the costs imposed on drivers and other companies.

34.

While Uber presently employs different terminology in their promotional materials to describe their services than do other Taxicab and LPT providers, the services provided are nonetheless private for-hire transportation operated in contravention of applicable legal requirements:

- a. Uber effectively dispatches for-hire passenger transportation services, for compensation over the roads of the City of Portland.
- b. Uber does not hold a valid company permit for either a Taxicab Company or a LPT Company, nor are they permitted in any jurisdiction as a Taxicab or LPT service.
- c. All prospective customers of Uber must first download a Smart Phone application "app" and enter into an online agreement under terms dictated by Uber. Those terms include a waiver of any and all liability to Uber.
- d. The customer provides credit card information to Uber.
- e. Customers hail a car through the "app" instead of a human dispatcher. Uber charges for service are calculated by the "app" software, based on time and

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1		distance and billed to the customer's credit card through the "app" rather than
2		through a certified taxi meter.
3	f.	Drivers do not directly collect a fare from the customer. Instead, Uber charges th
4		fare to the customer's credit card through its "app." Uber collects a portion of the
5		total charges (including tip) and pays the balance to the driver.
6	g.	Uber drivers are drawn from the general public and use personal vehicles which
7		are personally insured. Uber does not require Uber drivers to purchase
8		commercial auto insurance or have local business licenses or permits.
9	h.	Uber does not require its drivers to comply with for-hire passenger carrier
10		regulations, either state or local, including City of Portland regulations. Drivers
11.		are screened by Uber based on their own criteria, not through City of Portland
12		employees.
13	i.	Unlike licensed Taxicab Company and LPT Companies lawfully permitted to
14		dispatch taxicabs and LPT vehicles to passengers which must satisfy all
15		applicable Code requirements, Uber exempts itself from any duty to provide fair
16		and equal service. Uber only dispatches drivers to customers who can pay by
17	,	credit card and have used its internet application or website to request a vehicle.
18		A phone call request from a customer is not accepted, nor is cash. Uber admits it
19		seeks to serve wealthy, technology-connected passengers, leaving those with less
20		means in technology to be served by the regulated taxicab and LPT drivers.
21		35.
22	On De	cember 8, 2014, the City of Portland ordered Uber to cease and desist their
23	unlawful oper	ations. A copy of the cease and desist letter is attached hereto as Exhibit A.
24		36.
25	Currer	ntly, Uber is illegally operating for-hire transportation services by providing
26	vehicular tran	sportation for compensation without a valid permit issued by the City of Portland
Page	10 – COMI	PLAINT FOR DECLARATORY JUDGMENT

1	or any permit issued by any local jurisdiction to authorize Taxicab and LPT services nor
2	complying with the numerous additional regulations outlined above. In so doing, Uber is
3	willfully refusing to comply with City of Portland Code and regulations enacted to protect people
4	of the City of Portland.
5 6 7	FIRST CLAIM FOR RELIEF – UNLAWFUL AND UNPERMITTED ACTIVITY (Declaratory Judgment Under ORS 28.010 and .020 Declaring That Uber Technologies, Inc. Is Subject to Chapter 16.40 of the Portland City Code and Accompanying Admin. Rules and that Uber Technologies, Inc. Is In Violation of PCC 16.40 and Accompanying Regulations)
8	37.
9	The allegations contained in paragraphs 1 through 36, above, are hereby incorporated by
10	this reference.
11	38.
12	Uber is subject to the provisions of Chapter 16.40 of the Portland City Code and the
13	accompanying Administrative Rules.
14	39.
15	Uber is in violation of Chapter 16.40 of the Portland City Code and the accompanying
16	Administrative Rules.
17	40.
18	Uber's failure to comply with Chapter 16.40 of the Portland City Code and the
19	accompanying Administrative Rules harms the public interest by depriving the public of the
20	rights and protections provided within those regulations.
21	SECOND CLAIM FOR RELIEF - UNLAWFUL AND UNPERMITTED ACTIVITY
22	(Declaratory Judgment Under Portland City Charter 1-103 Declaring That Uber Technologies, Inc. Is Subject to Chapter 16.40 of the Portland City Code and
23	Accompanying Admin. Rules and that Uber Technologies, Inc. Is In Violation of PCC 16.40 and Accompanying Regulations)
24	41.
25	The allegations contained in paragraphs 1 through 40, above, are hereby incorporated by
26	this reference.
Page	11 – COMPLAINT FOR DECLARATORY JUDGMENT

	•
1	42.
2	Uber is subject to the provisions of Chapter 16.40 of the Portland City Code and the
. 3	accompanying Administrative Rules.
4	43.
5	Uber is in violation of Chapter 16.40 of the Portland City Code and the accompanying
6	Administrative Rules.
7	44.
. 8	Uber's failure to comply with Chapter 16.40 of the Portland City Code and the
9	accompanying Administrative Rules harms the public interest by depriving the public of the
10	rights and protections provided within those regulations.
11	THIRD CLAIM FOR RELIEF – UNLAWFUL AND UNPERMITTED ACTIVITY
12	(Declaratory Judgment Under ORS 30.315 Declaring That Uber Technologies, Inc. Is Subject to Chapter 16.40 of the Portland City Code and
13	Accompanying Admin. Rules and that Uber Technologies, Inc. Is In Violation of PCC 16.40 and Accompanying Regulations)
14	45.
15	The allegations contained in paragraphs 1 through 44, above, are hereby incorporated by
16	this reference.
17	46.
18	Uber is subject to the provisions of Chapter 16.40 of the Portland City Code and the
19	accompanying Administrative Rules.
20	47.
21	Uber is in violation of Chapter 16.40 of the Portland City Code and the accompanying
22	Administrative Rules.
23	48.
24	Uber's failure to comply with Chapter 16.40 of the Portland City Code and the
25	accompanying Administrative Rules harms the public interest by depriving the public of the
26	rights and protections provided within those regulations.
Page	12 – COMPLAINT FOR DECLARATORY JUDGMENT

FOURTH CLAIM FOR RELIEF 1 (Injunction – Court Intervention Necessary to Ensure 2 Unlawful and Unpermitted Activity Ceases) 49. 3 The allegations contained in paragraphs 1 through 48, above, are hereby incorporated by 4 this reference. 5 50. 6 This Court has jurisdiction to enjoin Uber in accordance with ORCP 79, Chapter 1-103 of 7 the Charter of the City of Portland, Portland City Code Chapter 16.40 and accompanying 8 Administrative Rules, ORS 28.010 and 28.020 and 30.315(D) and (E). 9 51. 10 An injunction would be appropriate because Uber is illegally providing vehicular 11 transportation for compensation without complying with numerous provisions of Portland City 12 Code Chapter 16.40 designed to protect the public health, safety and welfare as outlined above. 13 This list of statutory violations outlined above is not exclusive, and plaintiff reserves the right to 14 rely on other and further violations of the law which are discovered in the course of discovery 15 and investigation in this matter. 16 52. 17 Uber's above-listed operation poses an immediate, real and substantial violation of the 18 Portland City Code and accompanying Administrative Rules. 19 53. 20 Uber's operations pose an immediate, real and substantial threat to the public; including 21 but not limited to, the fact that each passenger Uber diverts is being exposed to a risk of harm 22 from drivers who do not have lawful commercial licenses or commercial insurance, and are 23 screened only by Uber and not by local authorities. Passengers are further forced by Uber into 24 giving a waiver from any and all liability, damages, jury trial and other important rights as a 25 condition of Uber terms of service. The public is unwittingly deprived of the benefits and

COMPLAINT FOR DECLARATORY JUDGMENT 13 -Page

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protections of Portland's City Code and Administrative Rules by virtue of the fact that Uber willfully ignores such laws and disclaims any responsibility. 2 3 Plaintiff seeks an injunction immediately enjoining Uber from conducting business (as 4 defined in Portland City Code section 16.40.030 J.) or operating (as defined in Portland City 5 Code section 16.40.030 Y.) within the City of Portland, Oregon, including through the use of the 6 Uber smartphone application, and including contracting with unpermitted drivers, unless and 7 until Uber comes into compliance with the permit, insurance and other requirements of Portland 8 City Code Chapter 16.40 (Private for Hire Transportation Regulations). ٠9 55. 10 No equitable defenses exist and the public interest would be served by granting an 11 injunction. 12 FIFTH CLAIM FOR RELIEF 13 (Uber's Failure to Register its Business-Portland City Charter 1-103, City Code Section 16.40.500, and ORS 30.315) 14 56. 15 The allegations contained in paragraphs 1 through 55, above, are hereby incorporated by 16 this reference. 17 57. 18 Portland City Code Sections 7.02.300 and 7.02.510 require that all persons subject to the 19 requirements of this Chapter must register with the Bureau on a form provided or approved by 20 the Bureau. 21 58. 22 To date. Uber nor its drivers have complied with the provisions of PCC 7.02.300 and 23 7.02.510. 24 ////// 25 ////// 26 COMPLAINT FOR DECLARATORY JUDGMENT Page | 14 -

> EXHIBIT 1 Page 14 of 24

59.

The Court should declare that Uber is in violation of PCC 7.02.300 and 7.02.510 and should be enjoined from operating in Portland until it has been complied with this provision.

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60.

ORS 60.701 and 60.704 prohibits a foreign corporation from transacting business in this State until it has been authorized to do so by the Secretary of State. State statutory provisions are incorporated in Portland City Code 16.40.500 which requires compliance with federal, state and local laws. A search of Corporation Commission records finds that Uber Technologies, Inc. has failed to register with the State of Oregon and, accordingly, this Court should declare that Uber is subject to ORS 60.701, ORS 60.704, PCC 7.02.300, PCC 7.02.510, and PCC 16.40.500 and that Uber is in violation of those provisions and should be enjoined from doing business until it has properly complied with those requirements.

WHEREFORE, based upon the foregoing, the City of Portland seeks an order as follows:

- (a) For an Order declaring that defendant is subject to Chapter 16.40 of the Portland City Code and accompanying Administrative Rules and that defendant is in violation of Chapter 16.40 of the Portland City Code and accompanying Administrative Rules under ORS 28.010. 28.020, Portland City Charter 1-103 and/or ORS 30.315.
- (b) That a preliminary injunction be issued immediately enjoining defendant from conducting business (as defined in Portland City Code section 16.40.030 J.) or operating (as defined in Portland City Code section 16.40.030 Y.) within the City of Portland, Oregon, including through the use of the Uber smartphone application, and including contracting with unpermitted drivers, unless and until Uber comes into compliance with the permit, insurance and other requirements of Portland City Code Chapter 16.40 (Private for Hire Transportation Regulations).

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- (c) That the Court, after a trial on the merits, issue a permanent injunction against defendant, enjoining it from operating a for-hire transportation company providing vehicular transportation for compensation in the City of Portland.
- (d) For an Order declaring that defendant is in violation of ORS 60.701, 60.704 and Portland City Code 7.02.300 and 7.02.510 for failing to register as a foreign corporation with the State of Oregon and with the City of Portland.
- (e) For its reasonable attorney fees and costs, and whatever other relief the Court deems just and proper in this case.

December 8, 2014.

Respectfully submitted,

TRACY REBVE, OSB #891123

City Attorney

Email: <u>tracy.reeve@portlandoregon.gov</u> J.SCOTT MOEDE, OSB #934816

Chief Deputy City Attorney

Email: scott.moede@portlandoregon.gov KENNETH A. McGAIR, OSB #990148

Senior Deputy City Attorney

Email: ken.mcgair@portlandoregon.gov

Of Attorneys for Plaintiff





Steve Novick Commissioner December 8, 2014

Leah Treat Director

Ms. Brooke Steger General Manager, Uber, Inc. 506 2nd Avenue #3100 Seattle, WA 98104-2349

Email: brooke@uber.com

Cease and Desist Order - Violations of Portland City Code Chapter 16.40 Re:

Dear Ms. Steger:

Portland City Code Chapter 16.40 regulates Private for-hire Transportation within the City of Portland. "[P]roviding vehicular:..transportation for compensation of any kind within the Portland City Limits" constitutes Private for-hire Transportation subject to the City's regulations. PCC 16.40.030 HH. 1 The requirements of PCC Chapter 16.40 apply to all Private for-hire Transportation companies, vehicles and drivers conducting business in the City, whether or not legally permitted. PCC 16.40.020. "Conduct[ing] Business' means operating a for-hire vehicle or company, receiving money or other compensation from the use of a for-hire vehicle, causing or allowing another person to do the same, or advertising the same." PCC 16.40.030 J. "Operate" means "driving a for-hire vehicle, using a for-hire vehicle to conduct a business, receiving money from the use of a for-hire vehicle, or causing or allowing another person to do the same." PCC 16.40.030 Y.

It has come to our attention that Uber Technologies, Inc. ("Uber") and/or its wholly owned subsidiary Rasier, LLC (collectively "Uber") began illegally conducting and operating Private for-hire Transportation (within the definition of PCC 16.40.030 J and Y) in the City of Portland through its uberX platform on the evening of December 5, 2014. Uber and its drivers have failed to comply with the permit and other important public health and safety requirements of PCC Chapter 16.40.

¹ The exception for "transportation provided by a public or governmental entity, transportation that is regulated entirely by the State of Oregon or the federal government" is inapplicable.

For example, no person may drive a for-hire transportation vehicle without a valid, current for-hire transportation driver's permit issued under Chapter 16.40. PCC 16.40.090 A. Uber drivers operating in Portland have not obtained such permits.

In addition, all for-hire transportation companies are required to obtain a permit to operate. PCC 16.40.020 A, PCC 16.40.130 A, and PCC 16.40.150 A. Under the City's regulatory scheme, there are two types of vehicular Private for-hire Transportation companies: Taxicab Companies and Limited Passenger Transportation Companies. A Taxicab Company is "any entity operating taxicabs other than as a driver and regardless of whether the vehicles so operated are owned by the company, leased, or owned by individual members of the company." PCC 16.40.030 NN.² A Limited Passenger Transportation Company is any "for-hire transportation company other than a taxi company." PCC 16.40.030 V. Both are required to obtain permits under PCC Chapter 16.40. PCC 16.40.150 ("No person or entity may conduct business as a taxicab company without a valid, current permit issued by the City under Chapter 16.40") and PCC 16.40.130 ("No person or entity may conduct business as an LPT for-hire transportation company without a valid, current LPT company permit issued by the City under Chapter 16.40"). All for-hire transportation companies must be validly registered with the Secretary of State of the State of Oregon, including all assumed business names. PCC 16.40.130 D (LPT Companies); PCC 16.40.150 C (Taxicab Companies).

All for-hire transportation companies must also obtain, comply with and maintain minimum levels of insurance to protect the public. PCC 16.40.410. Uber has provided no evidence of compliance with these requirements (or indeed of compliance with any of the City's applicable regulations). A full copy of the City of Portland's Private For-Hire Transportation Regulations can be found online at:

http://www.portlandonline.com/auditor/index.cfm?c=28593#cid 502545.

I am hereby directing that Uber Technologies, Inc., Rasier, LLC, uberX and/or any other Uber-affiliated entity immediately cease and desist operating within the City of Portland until such time as appropriate permits are obtained and Uber is in full compliance with the requirements of PCC Chapter 16.40. Please alert all Uber-affiliated drivers that they are to cease and desist operating any for-hire transportation on your behalf in the City of Portland without the required permits and until they are in full compliance with Chapter 16.40.

² A Taxicab is "any vehicle that carries passengers for-hire where the destination and route traveled may be controlled by a passenger and the fare is calculated on the basis of an initial fee, distance traveled, waiting time, or any combination thereof." PCC 16.40.030 PP.

The City will be taking appropriate enforcement action against Uber's illegal activities and those of its drivers, which may include bringing suit against Uber for injunctive and other relief, imposing civil and criminal penalties, impounding illegally operated for-hire vehicles and any other steps deemed necessary and appropriate to protect the public.

Sincerely,

Leah Treat

Director, Portland Bureau of Transportation

KAM/kam

c:

Gregory Chaimov Harry Korrell

1 CERTIFICATE OF SERVICE I hereby certify that I served the foregoing COMPLAINT FOR DECLARATORY 2 JUDGMENT OF UNLAWFUL AND UNPERMITTED ACTIVITY, INJUNCTIVE RELIEF 3. TO ENSURE UNLAWFUL AND UNPERMITTED ACTIVITY CEASES, AND STATUTORY 4 VIOLATIONS on: 6 Gregory A. Chaimov Davis Wright Tremaine LLP 7 Suite 2400 1300 SW Fifth Avenue 8 Portland, OR 97201 9 Harry Korrell Davis Wright Tremaine LLP 10 Suite 2200 1201 Third Avenue 11 Seattle, WA 98101 Attorneys for Defendants 12 on December 8, 2014, by causing a full, true and correct copy thereof, addressed to the last-13 known address (or fax number) of said attorneys, to be sent by the following method(s): 14 by mail to Mr. Korrell in a sealed envelope, with postage paid, and deposited with the 15 \boxtimes U.S. Postal Service in Portland, Oregon. 16 by hand delivery to Mr. Chaimov. 17 by facsimile transmission. 18 by email. 19 20 21 TRACY REEVE, OSB #891123 22 City Attorney Email: tracy.reeve@portlandoregon.gov 23 Fax: (503) 823-3089 Of Attorneys for Plaintiff 24 25 26

Page |1 - CERTIFICATE OF SERVICE

IN THE CIRCUIT COURT OF THE STATE OF OREGON

FOR THE COUNTY OF MULTNOMAH

CITY OF PORTLAND, a municipal corporation of the State of Oregon,

Case No. 14CV18915

Plaintiff,

SUMMONS

7/

UBER TECHNOLOGIES, INC., a Delaware corporation, and RASIER, LLC, its wholly owned subsidiary,

Defendants.

TO: Uber Technologies, Inc., c/o Gregory A. Chaimov, Davis Wright Tremaine LLP Suite 2400, 1300 SW Fifth Avenue, Portland, OR 97201-5630

You are hereby required to appear and defend the complaint filed against you in the above entitled action within thirty (30) days from the date of service of this summons upon you, and in case of your failure to do so, for want thereof, plaintiff(s) will apply to the court for the relief demanded in the complaint.

NOTICE TO THE DEFENDANT: READ THESE PAPERS CAREFULLY!

You must "appear" in this case or the other side will win automatically. To "appear" you must file with the court a legal paper called a "motion" or "answer." The "motion" or "answer" must be given to the court clerk or administrator within 30 days along with the required filing fee. It must be in proper form and have proof of service on the plaintiff's attorney or, if the plaintiff does not have an attorney, proof of service upon the plaintiff.

If you have any questions, you should see an attorney immediately. If you need help in finding an attorney, you may call the Oregon State Bar's Lawyer Referral Service at (503) 684-3763 or toll-free in Oregon at (800) 452-7636.

Signature of Attorney/Author for Plaintiff

Tracy Reeve, OSB #891123 City Attorney Portland City Attorney's Office 1221 SW 4th Avenue, Suite 430 Portland, OR 97204 (503) 823-4047

Trial Attorney if Other Than Above,

Bar No.

STATE OF OREGON, County of Multnomah, ss.

I, the undersigned attorney of record for the plaintiff, certify that the foregoing is an exact and complete copy of the original summons in the above entitled action.

Attorney of Record for Plaintiff

TO THE OFFICER OR OTHER PERSON SERVING THIS SUMMONS: You are hereby directed to serve a true copy of this summons, together with a true copy of the complaint mentioned therein, upon the individual(s) or other legal entity(ies) to whom or which this summons is directed, and to make your proof of service on the reverse hereof or upon a separate similar document which you shall attach hereto.

Attorney of Record for Plaintiff

IN THE CIRCUIT COURT OF THE STATE OF OREGON

FOR THE COUNTY OF MULTNOMAH

CITY OF PORTLAND, a municipal corporation of the State of Oregon,

Case No. 14CV18915

Plaintiff,

SUMMONS

v.

UBER TECHNOLOGIES, INC., a Delaware corporation, and **RASIER, LLC,** its wholly owned subsidiary,

Defendants.

TO: Rasier, LLC, c/o Gregory A. Chaimov, Davis Wright Tremaine LLP Suite 2400, 1300 SW Fifth Avenue, Portland, OR 97201-5630

You are hereby required to appear and defend the complaint filed against you in the above entitled action within thirty (30) days from the date of service of this summons upon you, and in case of your failure to do so, for want thereof, plaintiff(s) will apply to the court for the relief demanded in the complaint.

NOTICE TO THE DEFENDANT: READ THESE PAPERS CAREFULLY!

You must "appear" in this case or the other side will win automatically. To "appear" you must file with the court a legal paper called a "motion" or "answer." The "motion" or "answer" must be given to the court clerk or administrator within 30 days along with the required filing fee. It must be in proper form and have proof of service on the plaintiff's attorney or, if the plaintiff does not have an attorney, proof of service upon the plaintiff.

If you have any questions, you should see an attorney immediately. If you need help in finding an attorney, you may call the Oregon State Bar's Lawyer Referral Service at (503) 684-3763 or toll-free in Oregon at (800) 452-7636.

Signature of Attorney/Author for Plaintiff

Tracy Reeve, OSB #891123 City Attorney Portland City Attorney's Office 1221 SW 4th Avenue, Suite 430 Portland, OR 97204 (503) 823-4047

Trial Attorney if Other Than Above,

Bar No.

STATE OF OREGON, County of Multnomah, ss.

I, the undersigned attorney of record for the plaintiff, certify that the foregoing is an exact and complete copy of the original summons in the above entitled action.

Attorney of Record for Plaintiff

TO THE OFFICER OR OTHER PERSON SERVING THIS SUMMONS: You are hereby directed to serve a true copy of this summons, together with a true copy of the complaint mentioned therein, upon the individual(s) or other legal entity(ies) to whom or which this summons is directed, and to make your proof of service on the reverse hereof or upon a separate similar document which you shall attach hereto.

Attorney of Record for Plaintiff

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1			
2			
3			
4	IN THE CIRCUIT COURT OF	THE STATE OF OREGON	
5	FOR THE COUNTY OF MULTNOMAH		
6	CITY OF PORTLAND, a municipal corporation of the State of Oregon,	Case No. 14CV18915	
7 8	Plaintiff,	ACCEPTANCE OF SERVICE OF SUMMONSES AND COMPLAINT	
9	v. ·		
10	UBER TECHNOLOGIES, INC., a Delaware corporation, and RASIER, LLC, its wholly owned subsidiary,		
11			
12	Defendants.		
13	I, Gregory A. Chaimov, one of the attorn	neys for defendants Uber Technologies, Inc.	
14	and Rasier, LLC, having been duly authorized to do so by my clients, hereby accept service		
15	of the Summonses and Complaint on behalf of defendants and hereby waive all irregularities		
16	of service.		
17	DATED: December, 2014.		
18		Respectfully submitted,	
19			
20		C A CL.: OCD #922190	
21		Gregory A. Chaimov, OSB #822180 Davis Wright Tremaine LLP Suite 2400	
22		1300 SW Fifth Avenue Portland, OR 97201-5630	
23		Of Attorneys for Defendants	
24			
25			
26			
Page	1 – ACCEPTANCE OF SERVICE OF SUMM	ONSES AND COMPLAINT	

PORTLAND CITY ATTORNEY'S OFFICE 1221 SW 4TH AVENUE, RM. 430 PORTLAND, OREGON 97204 TELEPHONE: (503) 823-4047 FAX: (503) 823-3089

1	CERTIFICATE OF SERVICE
2	I hereby certify that I served the foregoing ACCEPTANCE OF SERVICE OF
3	SUMMONSES AND COMPLAINT on:
456	Gregory A. Chaimov Davis Wright Tremaine LLP Suite 2400 1300 SW Fifth Avenue Portland, OR 97201
7 8 9	Harry Korrell Davis Wright Tremaine LLP Suite 2200 1201 Third Avenue Seattle, WA 98101 Attorneys for Defendants
11	on December 8, 2014, by causing a full, true and correct copy thereof, addressed to the last-
12	known address (or fax number) of said attorneys, to be sent by the following method(s):
13 14	by mail on Mr. Korrell in a sealed envelope, with postage paid, and deposited with the U.S. Postal Service in Portland, Oregon.
15	by hand delivery on Mr. Chaimov.
	by facsimile transmission.
16 17	by email.
18 19	2 Julia
20	TRACY REEYE, OSB #891123 City Attorney
21	Email: tracy.reeve@portlandoregon.gov Fax: (503) 823-3089
22	Of Attorneys for Plaintiff
23	
24	
25	
26	

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